



May 14, 2015

Mr. Marlon Keller
President
Lansdale School of Business
290 Wissahickon Avenue
North Wales, PA 19454-4141

UPS Tracking Number:
1Z A87 964 02 9533 9584

Re: Final Program Review Determination
OPE ID: 00777900
PRCN: 201520328918

Dear Mr. Keller:

The U.S. Department of Education's (Department's) School Participation Division - Philadelphia issued a preliminary program review report on March 4, 2015 covering Lansdale School of Business's (LSB) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The institution's response was received on May 6, 2015.

The School Participation Division - Philadelphia has reviewed LSB's response to the preliminary program review report. A copy of the program review report and LSB's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by LSB upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

The March 4, 2015 program review report contained the following two Findings: Finding #1 – Inaccurate reporting to the Common Origination System; and Finding #2 – Inadequate Policy to Determine Date of Unofficial Withdrawal.

For Finding #1, the Department reviewed the additional documentation and information provided by LSB and COD regarding the incorrect dates in the web display portion of the COD website. The Department has concluded that LSB did report accurate disbursement dates to COD. The COD screens had not been updated by the COD System to reflect the actual disbursement dates as properly reported by the institution.

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION
School Participation Division – Philadelphia

The Wanamaker Building, 100 Penn Square East, Suite 511, Philadelphia, PA 19107

StudentAid.gov

For Finding #2, LSB's revised its policy regarding unofficial withdrawals. The revised policy adequately addresses the requirements in the program review report. Therefore, LSB may consider the program review closed with no further action required.

Appendix A, Student Sample, contains personally identifiable information and will be emailed to Penn State as an encrypted file. The password needed to open the file will be sent in a separate email.

Program records relating to the period covered by this program review must be retained until the later of: the resolution of the loan(s), claim(s) or expenditure(s) questioned in the program review [34 C.F.R. § 668.24(e)(3)(i)] or the end of the retention period applicable to the record [34 C.F.R. § 668.24(e)(1) and (e)(2)].

If you have any questions please contact Diane Sarsfield at (215)656-6459, or via email at diane.sarsfield@ed.gov.

Sincerely,



Nancy Paula Gifford
Division Director

Enclosure: Program Review Report
 Institution's Response to the Program Review Report

cc: Mr. David Souza, Financial Aid Administrator
 Accrediting Council for Independent Colleges and Schools

Final Program Review Determination
PRCN #: 201520328918

Appendix A
Program Review Report

**Prepared for
Lansdale School of Business**

**OPE ID: 00777900
PRCN: 201520328918**

**Prepared by
U.S. Department of Education
Federal Student Aid
School Participation Division - Philadelphia**

Program Review Report March 4, 2015

**Federal Student Aid, School Participation Division - Philadelphia
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A. Institutional Information

Lansdale School of Business
290 Wissahickon Avenue
North Wales, PA 19454-4114

Type: Proprietary

Highest Level of Offering: Associate's Degree

Accrediting Agency: Accrediting Council for Independent Colleges and Schools

Student Enrollment and % Receiving Title IV:

- Total Active Students: 382 with 88% receiving Title IV aid, as of Fall 2013

Title IV Participation:

Title IV Program	2013-2014
Federal Pell Grant	\$1,089,892.00
Federal Direct Loans	\$1,953,603.00
Total:	\$3,043,495.00

Default Rates:

	FFEL/DL Program
2011	21.6%
2010	18.0%
2009	22.3%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Lansdale School of Business (LSB) from February 9 - 13, 2015. The review was conducted by Ms. Katherine Bartges and Ms. Diane Sarsfield.

The focus of the review was to determine LSB's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of LSB's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, student account ledgers, and fiscal records.

A sample of 30 files was identified for review from the 2013-2014 and 2014-2015 award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and social security numbers of the students whose files were examined during the program review.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning LSB's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve LSB of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by LSB to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding # 1: Inaccurate Reporting to Common Origination Disbursement System

Citation: An institution makes a disbursement of Title IV, HEA program funds on the date that the institution credits a student's account at the institution or pays a student or parent directly with: funds received from the Secretary, funds received from a lender under the FFEL Programs, or institutional funds used in advance of receiving Title IV, HEA program funds. 34 C.F.R. § 668.164(a)(1).

An institution shall report to the Secretary any change in the amount of a Federal Pell Grant for which a student qualifies including any related payment data changes by submitting to the Secretary the student's payment data that discloses the basis and result of the change in award for each student. The institution shall submit the student's payment data reporting any change to the Secretary by the reporting deadlines published by the Secretary in the Federal Register. 34 C.F.R. § 690.83(b)(1).

The Federal Register published February 28, 2013 established reporting deadlines to the Common Origination and Disbursement System (COD) for Federal Pell Grant and Direct Loan disbursement. Institutions are required to report disbursement information and adjustments to previously reported disbursement data to COD no later than (1) 30 calendar days for disbursements that occurred prior to April 1, 2013, and (2) 15 calendar days for disbursements that occur on or after April 1, 2013. (Federal Register Volume 78, Number 40).

Noncompliance: LSB reported inaccurate disbursement dates in COD for Federal Pell Grants disbursed to 5 of the 30 students in the sample. The disbursement dates reported in COD were not the same as the dates the Federal funds were actually posted to the students' account. The difference in the disbursement dates ranged from 1 to 24 days.

An institution's failure to report accurate disbursement information may cause additional expense for students and the Department.

Required Action: LSB must update COD to record the correct disbursement dates for Federal Pell Grants disbursed to students # 1, 11, 17, 22 and 23. The institution is encouraged to call COD Customer Service at 1-800-474-7268 (Grants) for any needed assistance.

In addition, LSB must conduct a file review of all 2013-2014 and 2014-2015 Federal Pell Grant recipients to determine whether accurate disbursement dates have been reported to COD. LSB must update any inaccurate disbursement dates that it identifies during its review of COD records. LSB must provide the results of its file review in a spreadsheet and include the following data.

1. Student's Name;
2. Social Security Number;
3. Disbursement Amount;
4. Disbursement Date originally reported to COD; and
5. Updated Disbursement Date.

LSB must provide the spreadsheet in both electronic and hardcopy formats. Additionally, LSB must review its policies and procedures in order to ensure that they are sufficient to prevent a recurrence of this finding. LSB must include a copy of its updated policies and procedures with its response to this program review report.

Finding # 2: Inadequate Policy to Determine Date of Unofficial Withdrawal

Citation: When a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the student began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as the student's withdrawal date. 34 C.F.R. § 668.22(a).

An institution must have a procedure for determining whether a Title IV aid recipient who began attendance during a period completed the period or should be treated as a withdrawal. If a student earned a passing grade in at least one course offered over an entire period, the institution may make the presumption that the student completed the course and, thus, completed the period. If a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over an entire period, the institution must assume, for Title IV purposes, that the student has unofficially withdrawn, unless the institution can document that the student completed the period. Dear Colleague Letter, GEN 04-03 (Revised November 2004).

If a student ceases attendance from an institution that is not required to take attendance without providing official notification to the institution of his or her withdrawal, the student's withdrawal date is the mid-point of the payment period. 34 C.F.R. § 668.22(c)(1)(iii). An institution that is not required to take attendance may use as the student's withdrawal date a student's last date of attendance at an academically related activity provided that the institution documents that the activity is academically related and documents the student's attendance at the activity. 34 C.F.R. § 668.22(c)(3).

An institution must document a student's withdrawal date determined in accordance with 34 C.F.R. § 668.22(c)(1)(2) & (3). The institution must also maintain documentation regarding the date of the institution's determination for a student's withdrew. 34 C.F.R. § 668.22(c)(4).

Noncompliance: LSB does not have an adequate policy to determine the withdrawal date for all students who unofficially withdraw from the institution. Specifically, the institution does not monitor students who receive all non-passing grades in the second module within a payment period to determine whether the students unofficially withdrew from institution.

An institution's failure to properly determine the withdrawal date for students who unofficially withdraw and subsequently complete a return calculation may result in LSB retaining Title IV funds for which the student was not eligible.

Required Action: LSB is required to revise its policies and procedures to accurately determine and document the withdrawal date for all students who unofficially withdraw from the institution. The policies and procedures must address LSB's method to monitor students who receive all non-passing grades in the second module within a payment

period. A copy of the institution's revised policies and procedures must be submitted with its response to this program review report.

Appendices

Appendix A (Student Sample) contains personally identifiable information. The Program Review Report with Appendix A will be emailed to LSB as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) will be sent in a separate email.